



WRS Annuity Options

A Getting Ready for Retirement topic

Objectives

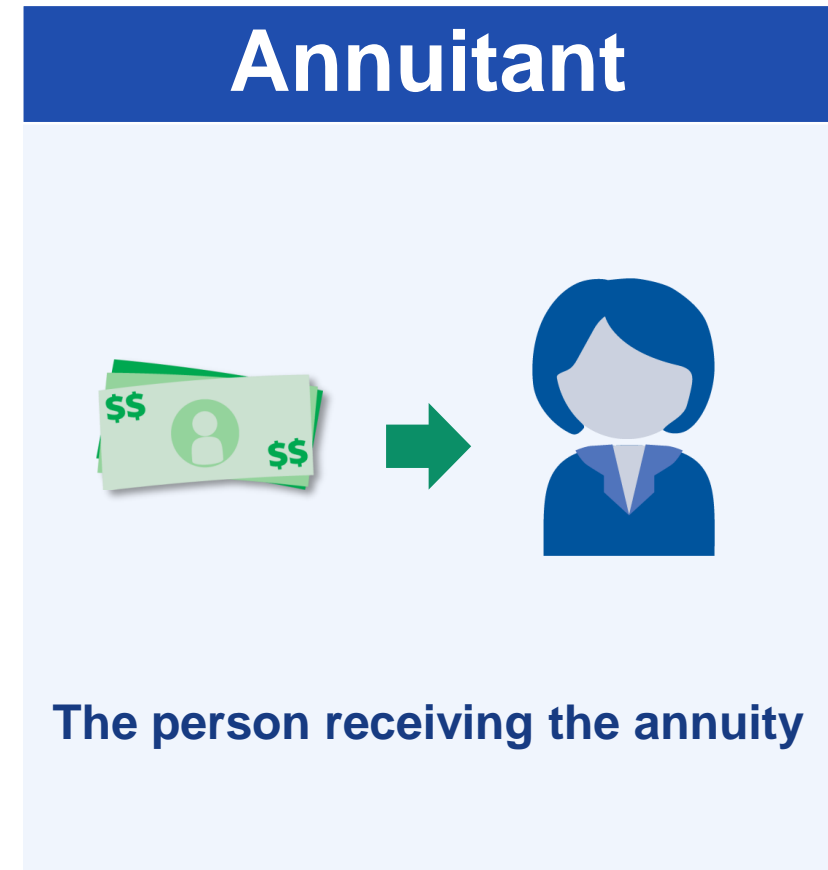
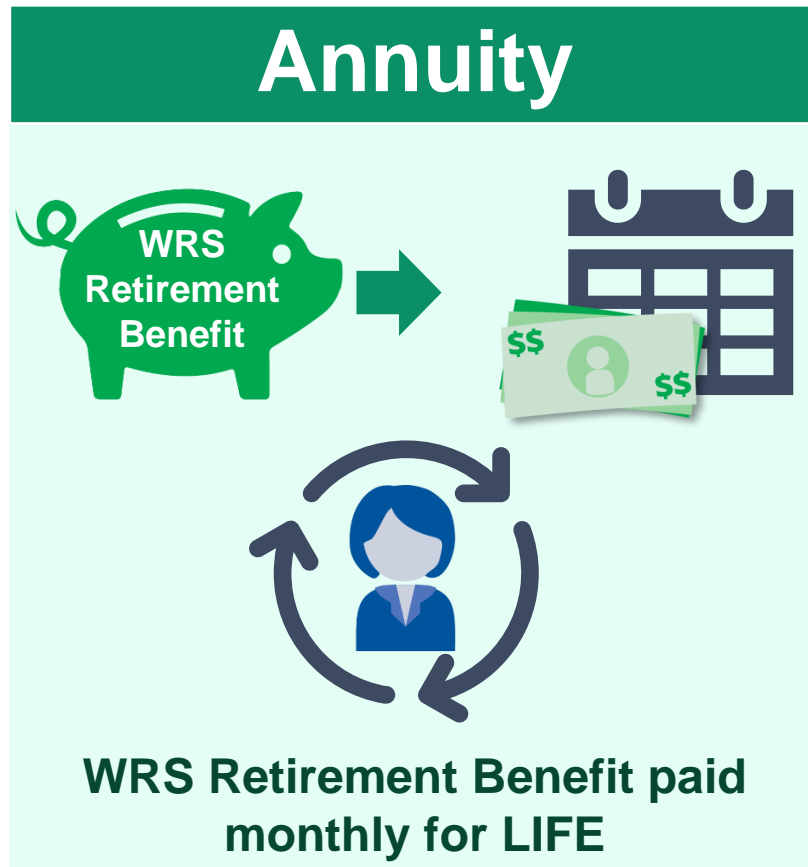
By the end of this presentation, you will be able to:

- Define and explain annuity, annuitant, beneficiary and named survivor
- Compare the different annuity options
- Find resources with more information
- Identify the next steps for you to choose an annuity option



Definitions

Annuity and Annuitant



Beneficiary vs. Named Survivor

A **Beneficiary** is a person(s) or entity you name to receive benefits upon your death



An individual
(or multiple individuals)



An entity
(such as a charity, business,
religious organization, etc.)



A trust



Your estate

A named **Survivor** is one person who will receive a lifetime benefit upon your death if he/she survives you



Must be an individual



**Federal law restrictions on
age of non-spouse named
survivor**



Annuity Payment Options

Estimates and Application Benefit Payment Options Example

BENEFIT PAYMENT OPTIONS (based on above data)

Check only one box for you Monthly Retirement Benefit. **Check only one box** under Employee Additional Contributions Benefit if you want to apply for your employee additional contributions at this time.

Life Annuity Options:	MONTHLY RETIREMENT BENEFIT						EMPLOYEE ADDITIONAL CONTRIBUTIONS		
	Regular	OR	Accelerated Payments				BENEFIT		
				Until Age 62	After Age 62				
• For Annuitant's Life Only	<input type="checkbox"/>	\$1,505	OR	<input type="checkbox"/>	\$2,021	\$1,239	<input type="checkbox"/>	\$241	01
• Life with 60 payments Guaranteed	<input type="checkbox"/>	\$1,500	OR	<input type="checkbox"/>	\$2,018	\$1,236	<input type="checkbox"/>	\$240	02
• Life with 180 payments Guaranteed	<input type="checkbox"/>	\$1,465	OR	<input type="checkbox"/>	\$1,989	\$1,207	<input type="checkbox"/>	\$231	04
Joint and Survivor Annuity Options: Named survivor, birthday and relationship used in estimate: _____ 8/29/1946 _____ SPOUSE									
• 75% Continued to Named Survivor*	<input type="checkbox"/>	\$1,392*	OR	<input type="checkbox"/>	\$1,928	\$1,146*	<input type="checkbox"/>	\$220	* 07
• 100% Continued to Named Survivor	<input type="checkbox"/>	\$1,357	OR	<input type="checkbox"/>	\$1,900	\$1,118	<input type="checkbox"/>	\$213	11
• Reduced 25% on Death of Annuitant or Named Survivor*	<input type="checkbox"/>	\$1,431*	OR	<input type="checkbox"/>	\$1,961	\$1,179*	<input type="checkbox"/>	\$227	* 09
• 100% Continued to Named Survivor with 180 Payment Guaranteed	<input type="checkbox"/>	\$1,356	OR	<input type="checkbox"/>	\$1,899	\$1,117	<input type="checkbox"/>	\$213	12
Annuity Certain – Additional Contributions Only Payable for 24 Months <input type="checkbox"/> \$1,719 29 Payable for 60 Months <input type="checkbox"/> \$738 30 Payable for 120 Months <input type="checkbox"/> \$413 31 Payable for <input type="text"/> Months (write in 25-180) <input type="checkbox"/> 21									
*The amount shown is prior to 25% reduction upon death. Lump Sum, Payment Option:	Required Contributions <input type="checkbox"/> NOT ELIG						Additional Contributions <input type="checkbox"/> \$39,228 50		

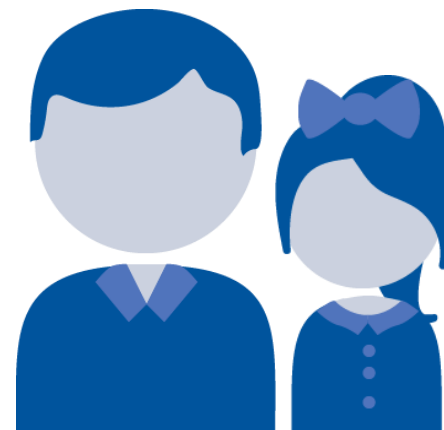
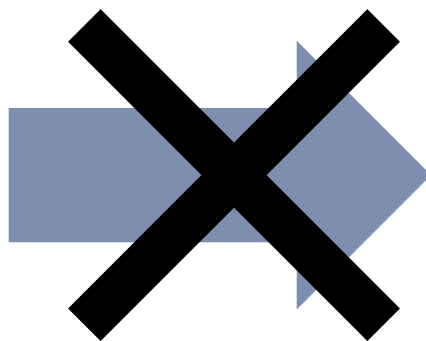


Life Annuity Options

Annuitant's Life Only



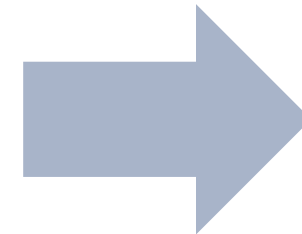
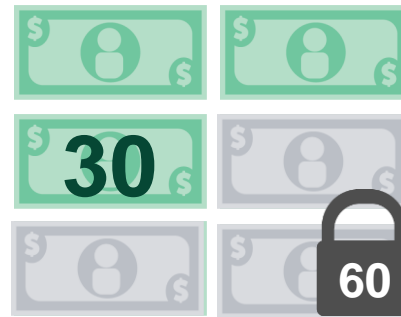
\$1,505/month



Life with 60 Payments Guaranteed



\$1,500/month



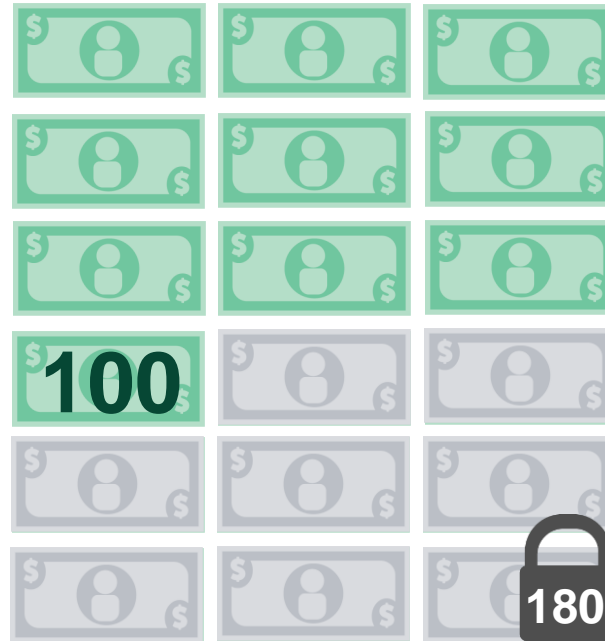
**Payments ALWAYS last
for your lifetime**



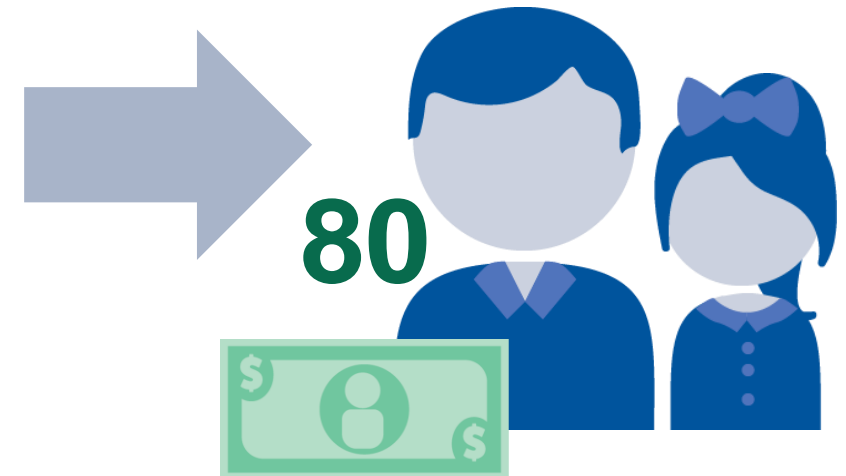
Life with 180 Payments Guaranteed



\$1,465/month



Payments ALWAYS last
for your lifetime





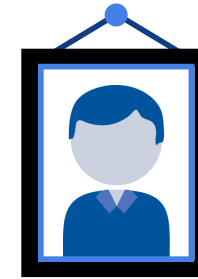
Joint and Survivor Annuity Options

75% Continued to Named Survivor



Survivor receives
75% of payment
upon your death

\$1,392/month



Survivor dies in
first 5 years,
you receive
“Annuitant’s Life
Only” amount

\$1,505/month



Survivor dies
before you,
payments stop
upon your death

~~\$1,392/month~~



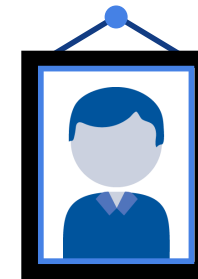
Survivor may not
be 19 years
younger than you
and must be your
spouse

100% Continued to Named Survivor



Survivor receives
same payment
upon your death

\$1,357/month



Survivor dies in
first 5 years,
you receive
“Annuitant’s Life
Only” amount

\$1,505/month



Survivor dies
before you,
payments stop
upon your death

\$1,357/month



Survivor may not
be 10 years
younger than you
and must be your
spouse

Reduced 25% on Death of Annuitant or Named Survivor



When you or
named survivor
dies, the benefit
will reduce by
25%

\$1,431/month



Survivor dies
before you,
payments stop
upon your death

~~**\$1,431**~~/month

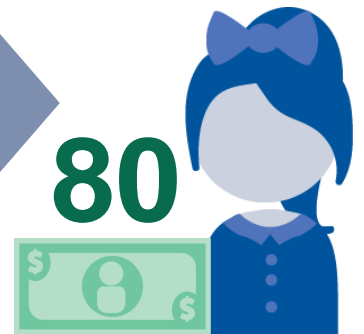
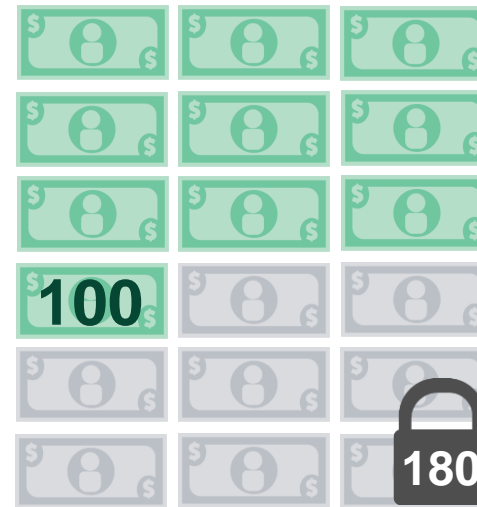
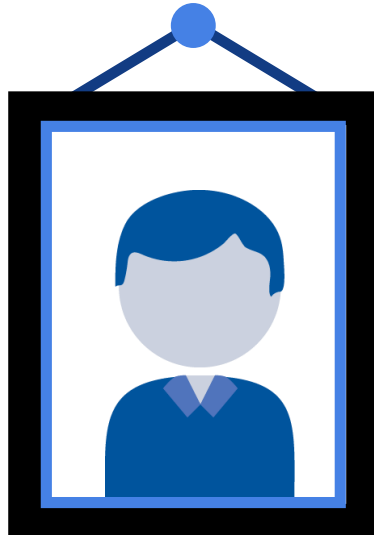


Survivor may not
be 19 years
younger than you
and must be your
spouse

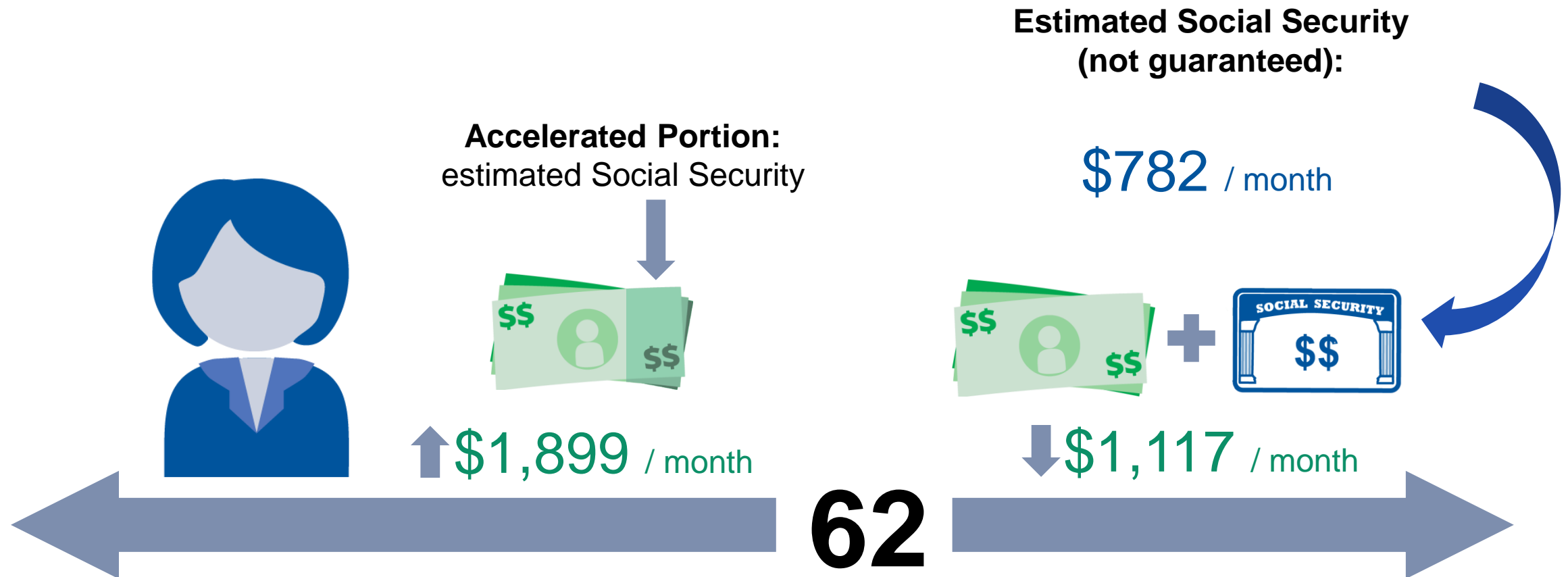
100% Continued to Named Survivor with 180 Payments Guaranteed

\$1,356/month

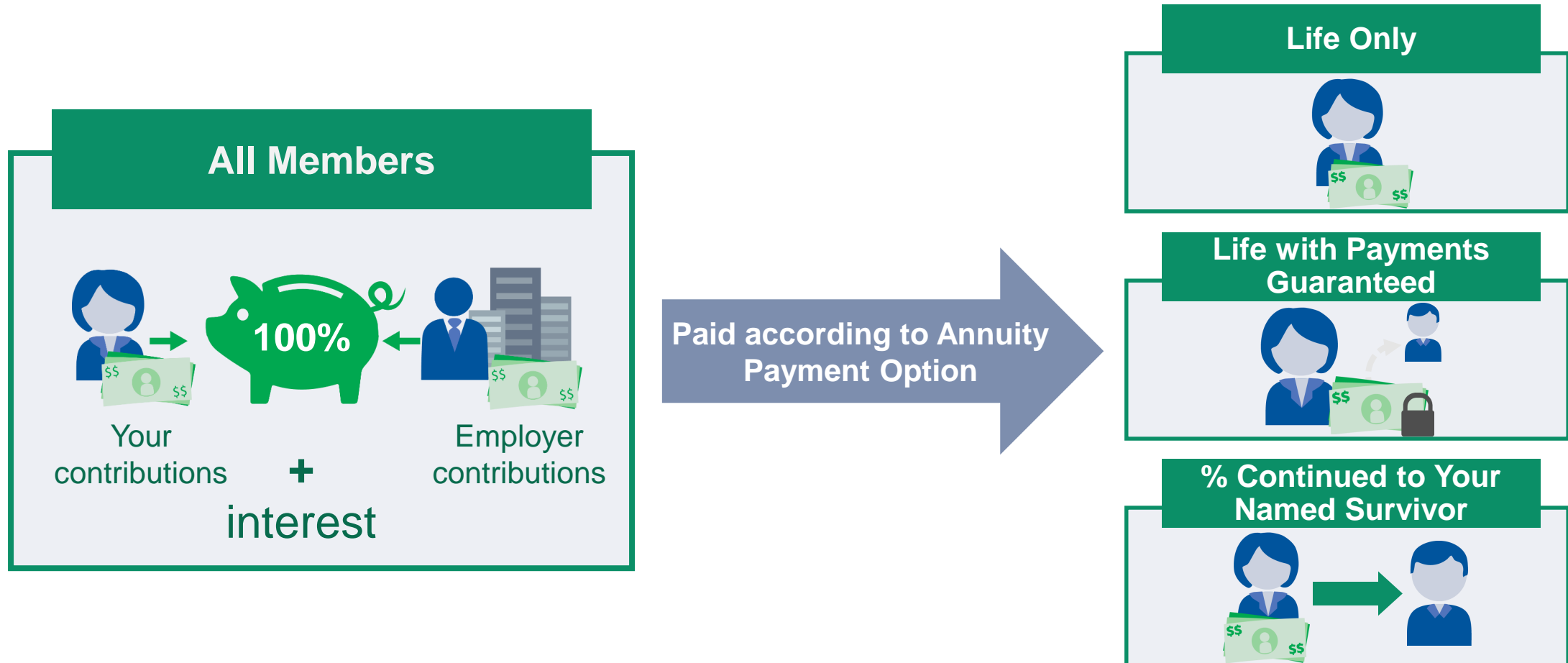
Survivor cannot be 10 years younger and must be your spouse



How Accelerated Payments Work

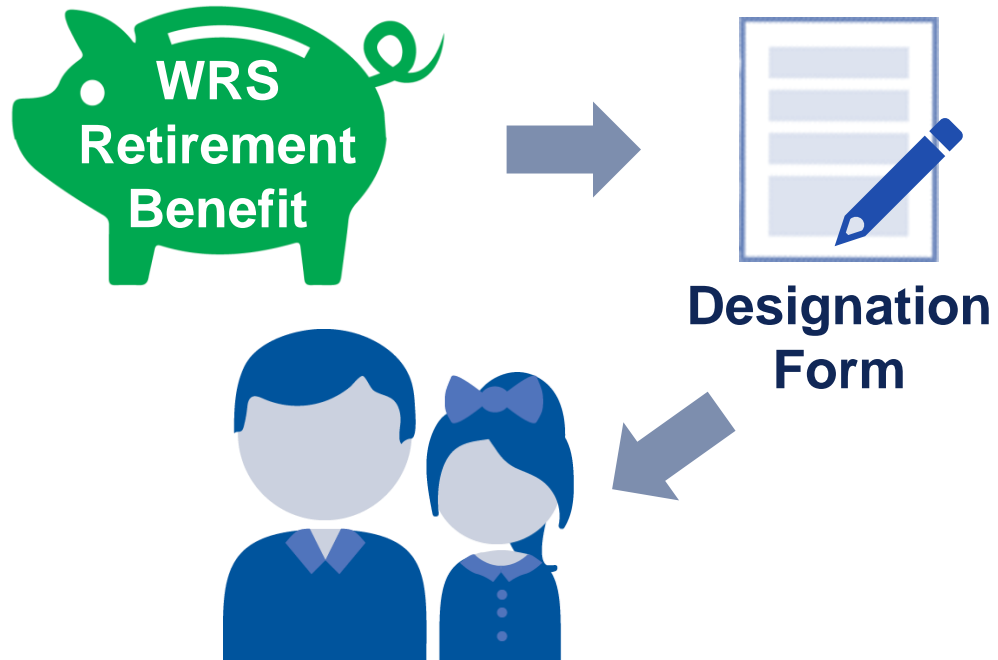


Post-Retirement Death Benefits



Beneficiaries

Designate a Beneficiary



No Form Statutory Standard Sequence

Surviving spouse or domestic partner

Children (biological or legally adopted)

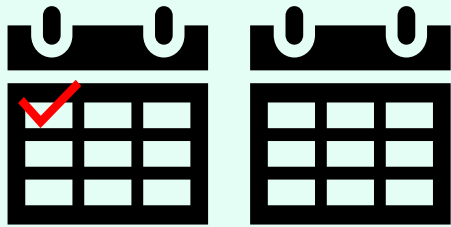
Grandchildren

Parent(s)

Brother(s) and sister(s)

Changing Annuity Payment Option

Change Annuity Payment Option

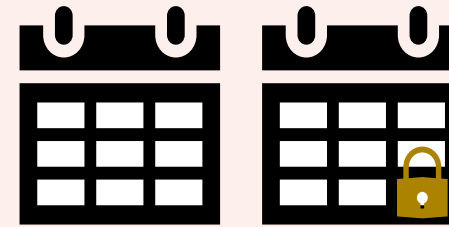


60 days



**Request to change
must be made in
writing (ET-4319)**

Annuity Payment Option Locked In



60 days



**Cannot be changed
after 60 days**



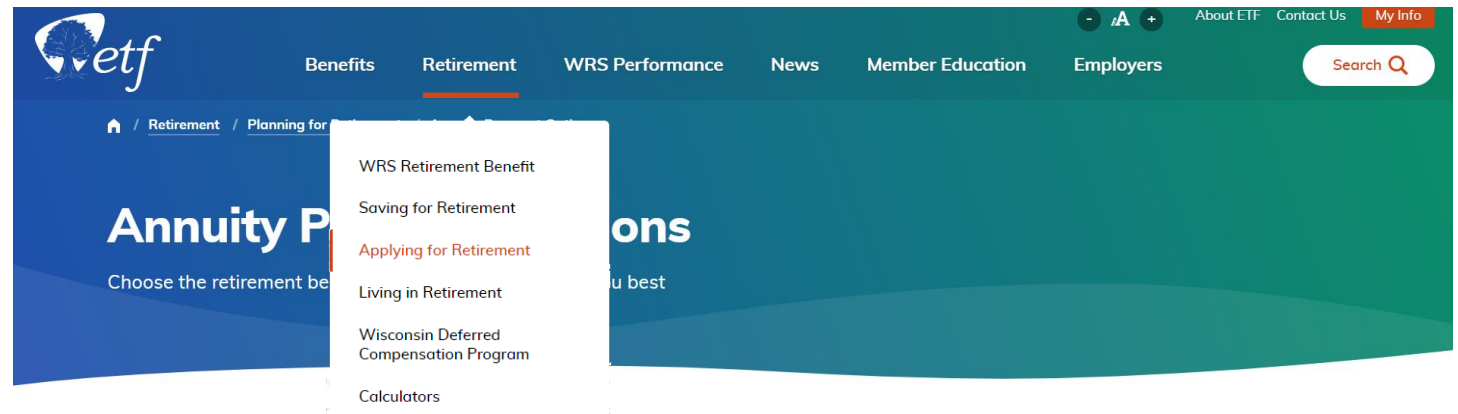
Resources

Annuity Payment Options Page

Information
about types of
annuities

Information
about Additional
Contributions
annuities

Links to
resources (video,
brochures, and
tax info)



Most members will be eligible for a monthly **lifetime** payment. This is called an “annuity.” If your benefit amount does not meet the required minimum amount, you will only be eligible for a one-time lump-sum payment.

Your official Retirement Estimate and Application will automatically show all the payment options and amounts you may choose from.

Life Annuity

Everyone who is eligible for monthly payments has three “Life Annuity” options.

<https://etf.wi.gov>

Key Actions
Choose your annuity
option.

Related Resources

Choosing an Annuity Option (ET-4117)

WRS Annuity Payment Options Video

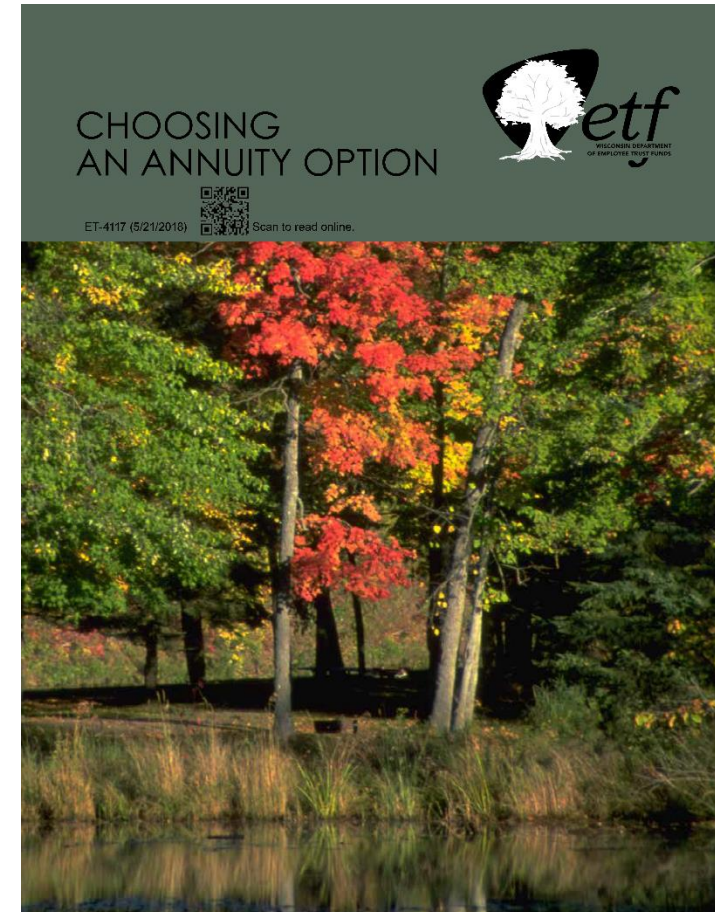
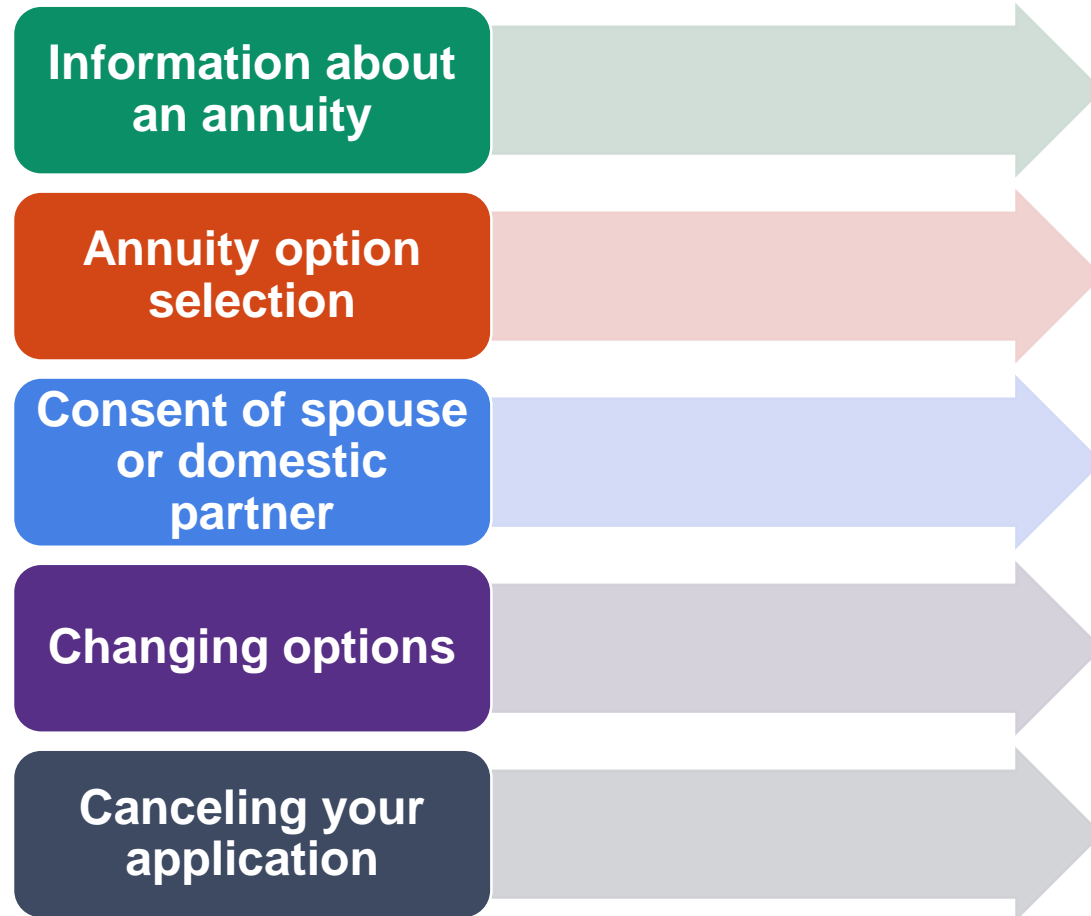
6-minute animated video

Detailed information about different payment options

How accelerated payments work



Choosing an Annuity Option (ET-4117) Brochure



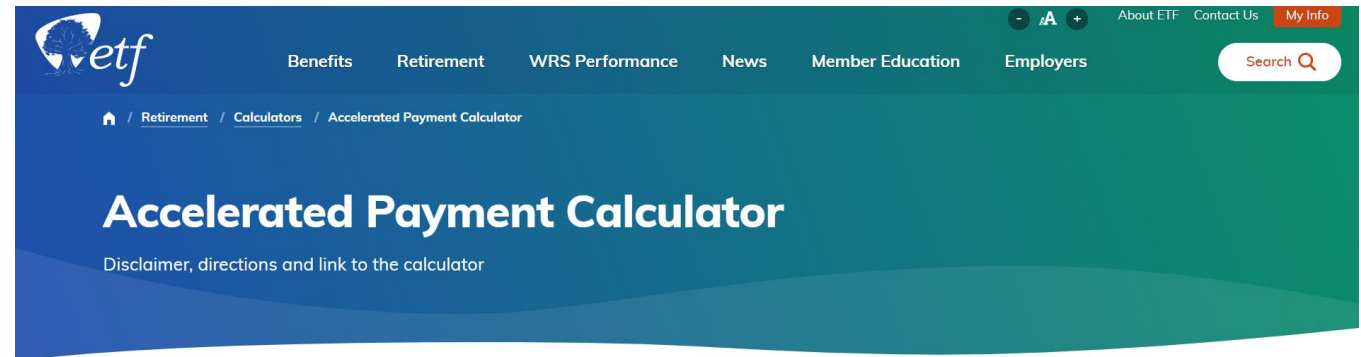
Accelerated Payment Calculator

Disclaimer

Directions

Link to calculator

Shows accelerated
threshold (break-even
point)



Accelerated Payment Options provide you with two (2) monthly payments (annuities):

1. A lifetime annuity, and
2. A temporary (accelerated) annuity **that ends at age 62**.

The purpose of an accelerated payment is to offer a higher benefit amount **until age 62**. That is when you can take your Social Security Retirement benefit. Your WRS annuity payment goes down **permanently at age 62** even if you choose not to take your social security benefit.

The more money you get before age 62, the less you get after 62. The longer you live after 62 the more you lose (the more it costs you).

Key Actions

Decide if an Accelerated Payment Option is the right choice for you.

Related Resources

[Choosing an Annuity Option \(ET-](#)

Watch videos about your topic online at:

etf.wi.gov

Click Member Education →

Videos



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